

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7958**

**BILL NUMBER: SB 587**

**NOTE PREPARED: Jan 14, 2005**

**BILL AMENDED:**

**SUBJECT:** Sheriff's department pension plans.

**FIRST AUTHOR:** Sen. Waltz

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**      **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Authorizes a county legislative body to: (1) establish a defined contribution plan for employee beneficiaries of the county sheriff's department; and (2) terminate the pension trust of the sheriff's department and transfer the assets to the defined contribution plan. Provides that a pension trust may not be terminated unless assets in the trust fund are sufficient to fully fund the accrued benefits for all active and retired employee beneficiaries. Provides that, if a defined contribution plan is established upon the termination of a pension trust, the contribution rate to be paid by the sheriff's department equals the percentage calculated by determining: (1) the annual contribution necessary to fully fund accrued benefits under the pension trust as of the termination date, as calculated by the actuaries for the pension trust; divided by (2) the total wages paid to the department's employee beneficiaries during the 12 months preceding the termination of the pension trust. Provides that a sheriff's department may implement a defined contribution plan only if the department has received from the Internal Revenue Service a ruling or determination letter stating that the defined contribution plan is a qualified plan. Requires the report of the trustees and actuaries of a sheriff's pension trust to be current through the end of the last full calendar quarter before the county holds a budget hearing. (Current law requires the report to be current through the end of the county's fiscal year.) Makes conforming changes.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** James Sperlik, 317-232-9866.